

Jurisdiction D DME MAC Implementation

Noridian Administrative Services

October 2006

General Information

- Section 911 of the Medicare Modernization Act of 2003, known as the Medicare Contracting Reform provision, requires that the Centers for Medicare & Medicaid Services compete all currently held contracts for administration of the fee-for-service Medicare program. The new contractors selected through these competitions will be called Medicare Administrative Contractors (MACs).
- On January 6, 2006, CMS announced it had awarded the Durable Medical Equipment (DME) MAC contract for Jurisdiction D to Noridian Administrative Services (NAS). NAS assumed the work of the Durable Medical Equipment Regional Carrier (DMERC) for Region D from CIGNA Government Services.
- On January 24, 2006, CIGNA Government Services, LLC (CIGNA) filed a protest with the Government Accountability Office (GAO) against the contract awards made to NAS for DME MAC Jurisdiction D and to Palmetto GBA (Palmetto) for DME MAC Jurisdiction C. The protest filing triggered a stay on performance of work under the NAS and Palmetto contracts until a decision could be rendered on the protests.
- On May 4, 2006, CMS received notification from GAO of its decisions concerning the bid protests. GAO denied CIGNA's protest of the award to NAS of the DME MAC contract for Jurisdiction D. As a result of this decision, CMS authorized NAS to resume work under Jurisdiction D as of May 8, 2006.
- NAS assumed full responsibility for the DME work on September 30, 2006.
- NAS' DME MAC D operations will be headquartered in Fargo, ND.
- The Jurisdiction D DME MAC contract, like all other MAC contracts, may be renewed annually if the contractor meets performance expectations, but the contract must be recompeted at least every five years.

Geographical Area

- The states included in DME MAC Jurisdiction D are: Alaska, American Samoa, Arizona, California, Guam, Hawaii, Idaho, Iowa, Kansas, Missouri, Montana, Nebraska, Nevada, North Dakota, Northern Mariana Islands, Oregon, South Dakota, Utah, Washington, and Wyoming.

Communications with Supplier Community

- As part of the proposal submitted by NAS and accepted by CMS in awarding the contract, NAS developed a communications plan for working with partners, stakeholders, and supplier organizations. As part of that plan:
 - NAS met with the major DME professional organizations, providing information regarding changes, and attending meetings and conventions.
 - NAS sent letters to suppliers, provided articles/information to industry newsletters, and regularly provided information that includes monthly updates through electronic listservs and supplier bulletins.
 - NAS conducted web-based training seminars and one-on-one contacts with large supplier group billers to explain any changes that will occur.
 - NAS held monthly open door transition conference calls and seminars or workshops for suppliers.
- NAS's website contains links dedicated to informing the supplier community of the transition and can be found at: <https://www.noridianmedicare.com/dme/index.html>

Enrollment, Claims Submission, and Appeals

- There will be no need for DME suppliers currently enrolled in the Medicare program to re-enroll or obtain a new supplier number. All supplier enrollment information will transfer from the DMERC to the new DME MAC.
- Effective September 28, 2006, suppliers in any state serviced by NAS must submit electronic claims using NAS' contractor ID.
- Second level appeals with filing dates of January 1, 2006 and later are being processed by the Qualified Independent Contractor, Q2A Administrators.

Benefits to Suppliers of Awarding Contracts to DME MACs

- NAS will be the focus for all Medicare customer service and provider communication activities to suppliers in its jurisdiction.
- As a DME MAC, NAS is required to increase its focus on financial management. This means it will be expected to increase the accuracy of its payments to suppliers as well as be consistent in its payment decisions.
- Suppliers will have an opportunity, if selected, to provide input into the performance evaluation of NAS through completion of the CMS provider/supplier satisfaction surveys.